

Regular Session, 2011

SENATE BILL NO. 106

BY SENATOR PERRY

LOCAL FINANCE. Provides for the levy, collection, and use of certain taxes collected for the benefit of the Vermilion Parish Tourist Commission. (8/15/11)

1 AN ACT

2 To amend and reenact R.S. 33:4574.1.1(Q), as amended by Act No. 20 of the 2011 First  
3 Extraordinary Session of the Legislature, relative to the Vermilion Parish Tourist  
4 Commission; to provide for the levy, collection, and use of certain taxes collected  
5 for the benefit of the commission; to provide for the allocation and use of certain tax  
6 monies collected; and to provide for related matters.

7 Notice of intention to introduce this Act has been published.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 33:4574.1.1(Q),as amended by Act No. 20 of the 2011 First  
10 Extraordinary Session of the Legislature, is hereby amended and reenacted to read as  
11 follows:

12 §4574.1.1. Occupancy taxes levied by the commissions

13 \* \* \*

14 Q.(1)(a) Notwithstanding any other law to the contrary, the Vermilion Parish  
15 Tourist Commission shall levy and collect an additional tax of three percent upon the  
16 occupancy of hotel rooms, motel rooms, and overnight camping facilities within the  
17 jurisdiction of the commission. The tax shall be levied without a vote of the people

1 by ordinance adopted by the governing authority of the tourist commission. The  
2 percentage rate provided in this Subsection shall be in addition to any other  
3 percentage authorized by law.

4 (b) Notwithstanding the provisions of Subparagraph (a) of this  
5 Paragraph, entities within the commission's jurisdiction shall no longer receive  
6 funding upon a simple majority of the entities adopting an ordinance or  
7 resolution after July 1, 2011 repealing the tax collected pursuant to  
8 Subparagraph (a) of this Paragraph. Any unused monies collected by the  
9 commission prior to the repeal of the tax shall be allocated pursuant to  
10 Paragraph 2(a) of this Subsection for use toward the improvement of  
11 recreational parks and facilities.

12 (2)(a) ~~Notwithstanding any other provision of law to the contrary, two-thirds~~  
13 **Two-thirds** of the monies collected by the Vermilion Parish Tourist Commission  
14 from the levy of the additional three percent tax on the occupancy of hotel rooms,  
15 motel rooms, and overnight camping facilities as authorized by law, shall be used to  
16 fund recreation programs for all youth in Vermilion Parish. The commission shall  
17 enter into a cooperative endeavor with the governing authority of Vermilion Parish  
18 and each entity provided for in this Subparagraph to provide for the allocation of  
19 revenue collected for such purposes. The revenue collected for purposes of this  
20 Subparagraph shall be allocated as follows:

21 (i) Twenty-eight and one-half percent shall be allocated to the city of  
22 Abbeville.

23 (ii) Twenty-three and one-half percent shall be allocated to the city of  
24 Kaplan.

25 (iii) Fourteen percent shall be allocated to the North Vermilion Youth  
26 Athletic Association.

27 (iv) Eight percent shall be allocated to the town of Delcambre.

28 (v) Eight percent shall be allocated to the town of Erath.

29 (vi) Eight percent shall be allocated to the town of Gueydan.

1 (vii) Five percent shall be allocated to the village of Maurice.

2 (viii) Five percent shall be allocated to the Vermilion Parish Police Jury.

3 (b) Any revenue collected by the Vermilion Parish Tourist Commission to  
4 fund athletic programs for all youth in Vermilion Parish and not expended prior to  
5 July 1, 2009 shall be used to fund recreation programs in Vermilion Parish as  
6 provided in Subparagraph (a) of this Paragraph.

7 (c)(i) A minimum of seventy-five percent of the revenue allocated to the  
8 governmental entities pursuant to Subparagraph (a) of this Paragraph shall be used  
9 by each governmental entity to provide funds to any qualified nonprofit youth  
10 recreation organization within the territorial jurisdiction of the governmental entity  
11 which agrees to enter into a cooperative endeavor with the governmental entities  
12 agreeing to use such funds for purposes of youth recreation.

13 (ii) The revenue allocated to the governmental entities shall be distributed by  
14 each entity to the qualified nonprofit youth recreation organizations on a pro-rata  
15 basis, based upon the number of youth participating in recreational programs of the  
16 organization compared to the total number of youth participating in programs of all  
17 the qualified nonprofit youth recreation organizations receiving funds from the  
18 governmental entity.

19 (iii) The remaining funds may be used by each governmental entity for youth  
20 recreation purposes as determined by such entity.

21 (d) As used in this Paragraph the following terms shall have the meanings  
22 ascribed to them:

23 (i) "Qualified nonprofit youth recreation organizations" means an  
24 organization whose primary function is related to youth recreation purposes and is  
25 recognized by the United States Internal Revenue Service as entitled to exemption  
26 under Section 501(c)(3) of the United States Internal Revenue Code. The term shall  
27 not include any organization which is in default on any filing or payment with or to  
28 the state or any of its agencies or political subdivisions and against which an  
29 assessment or judgment that is final and nonappealable has been rendered, and

remains outstanding, in favor of the state, or any of its agencies, or political subdivisions.

(ii) "Youth recreation purposes" means any use of funds which is related to recreation of persons eighteen years of age or younger, including but not limited to the purchase of uniforms and athletic equipment.

(e) Notwithstanding any other provision of law to the contrary, one-third of the monies collected by the Vermilion Parish Tourist Commission from the levy of the additional three percent tax on the occupancy of hotel rooms, motel rooms, and overnight camping facilities as authorized by law shall be dedicated for the promotion of tourism, including advertisements promoting festivals and other events within the parish.

(f) Notwithstanding any other provision of law to the contrary, monies collected by the Vermilion Parish Tourist Commission from the levy of the additional three percent tax on the occupancy of hotel rooms, motel rooms, and overnight camping facilities as authorized by law may be used or expended for capital outlay purposes.

\* \* \*

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

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The original instrument was prepared by Thomas L. Tyler. The following digest, which does not constitute a part of the legislative instrument, was prepared by James Benton.

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#### DIGEST

Perry (SB 106)

Present law provides that the Vermilion Parish Tourist Commission levy and collect an additional three percent tax upon the occupancy of hotel rooms, motel rooms, and overnight camping facilities without a vote of the people. Proposed law retains these provisions.

Proposed law provides that the additional tax levied by the commission may be repealed upon a simple majority of the entities adopting an ordinance or resolution after July 1, 2011

repealing the tax pursuant to present law. Any unused monies collected by the commission prior to the repeal of the tax shall be allocated pursuant to present law.

Present law provides that 2/3 of the proceeds of the tax be allocated as follows:

- (I) 28.5% to the city of Abbeville.
- (ii) 23.5% to the city of Kaplan.
- (iii) 14% to the North Vermilion Youth Athletic Association.
- (iv) 8% to the town of Delcambre.
- (v) 8% to the town of Erath.
- (vi) 8% to the town of Gueydan.
- (vii) 5% to the village of Maurice.
- (viii) 5% to the Vermilion Parish Police Jury.

Requires that at least 75% of the allocations listed above be used to provide funds to any qualified nonprofit youth recreation organization within the territorial jurisdiction of the governmental entity which agrees to enter into a cooperative endeavor with the governmental entities agreeing to use such funds for purposes of youth recreation. Requires that the revenue allocated to each governmental entity be distributed to the qualified nonprofit youth recreation organizations on a pro-rata basis, based upon the number of youth participating in recreational programs of the organization compared to the total number of youth participating in programs of all the qualified nonprofit youth recreation organizations receiving funds from the governmental entity and authorizes that the remaining funds to be used for youth recreation purposes as determined by each entity. Defines a "qualified nonprofit youth recreation organizations" as an organization whose primary function is related to youth recreation purposes and is recognized by the IRS as entitled to exemption under §501(c)(3) of the Internal Revenue Code with some exclusions for defaults by the organization and defines "youth recreation purposes." Provides that 1/3 of the monies collected be dedicated for the promotion of tourism, including advertisements promoting festivals and other events within the parish and authorizes the use of these monies capital outlay purposes.

Proposed law retains these provisions.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 33:4574.1.1(Q), as amended by Act 20 of 2011 First Extraordinary Session)

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Local and Municipal Affairs to the original bill.

1. Provides for the repeal of a tax levied by the Vermilion Parish Tourist Commission.
2. Provides for the allocation of unused funds by the Vermilion Parish Tourist Commission.
3. Adds emergency effective date.